

A Rural Agricultural Perspective on Economic Development

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Current Headlines

“Electricity bills are heading up. Way up.”

USA Today, June 16, 2008

Utilities raising price of power

Higher bills spurred by surging fuel costs

By Paul Davidson
USA TODAY

Here's a shocker: Electricity bills are heading up. Way up.

Utilities across the USA are raising power prices up to 29%, mostly to pay for soaring fuel costs, but also to build new plants and refurbish an aging power grid.

Even more dramatic rate increases are also being announced. Mounting electric bills will further squeeze consumers struggling with spiraling gasoline prices.

“Consumers now face a tough double whammy,” says Mark Cooper of Consumer Reports.

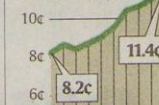
The increases come as energy prices already have driven up utility bills.

In nearly 30 years, the average rate of increase has been nearly 30% in the U.S.

Edison, citing rising coal and natural gas prices, plans to raise rates 29% on July 1, pushing an average monthly residential bill from about \$70 to \$90. AmerenUE. Missou-

Power prices on the rise

(cents per kilowatt-hour)





Rural Agriculture

- Crop prices increasing
- Farming input costs increasing
- Land values increasing
- Fewer farms and farmers
- Changes in land ownership
- Farmland protection issues
- More focus on energy issues

The background of the slide features a photograph of several white wind turbines on a green grassy hill under a clear blue sky. A bright green rectangular graphic element is positioned behind the title. The main body of the slide has a dark blue background with faint, light blue curved lines.

Enhancing Development

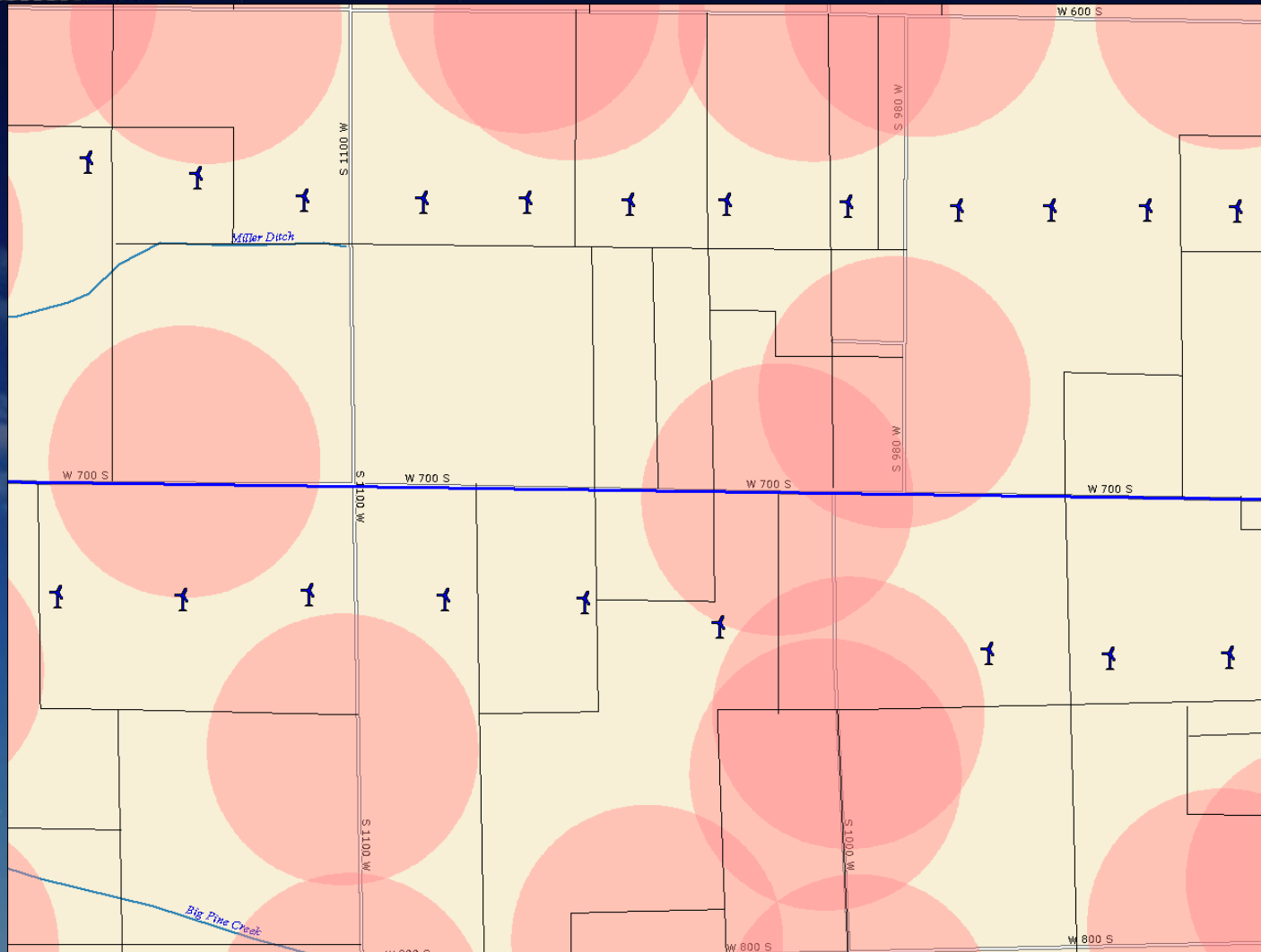
- Good wind
- Receptive landowners/communities
- Agricultural land-use
- Transmission resources
- Attractive power markets
- Proactive state policies



Development Requirements

- Develop relationships and trust
- Tile drainage lines
- Minimize loss of farmland
- Treat landowners as partners
- Turbine layout to minimize disruption

“Linear” Turbine Layout



“Linear” Turbine Layout





Economic Development

- Payments to landowners
- Payments to municipalities
- Road improvements
- Temporary local construction jobs
- Supplies purchased locally
- Permanent operation jobs
- Manufacturing jobs

Farming the Wind!



Current Headlines





Thank you



Horizon Wind Energy

- Horizon Wind Energy develops, constructs, owns and operates wind farms throughout the U.S.
- Originally Zilkha Renewable Energy; acquired by Goldman Sachs in 2005; acquired by Energias de Portugal (EDP) in 2007
- Headquartered in Houston with regional offices in New York, Oregon, Illinois, Minnesota, Colorado and California



Horizon Wind Energy

- Over 250 employees, capabilities across the entire wind energy value chain
- Have developed over 2,000 MW of wind energy, and operate over 1,500 MW

What We've Done



Maple Ridge
322 MW



Top of Iowa
80 MW



Blue Canyon
225 MW



**Tierras
Morenas**
24 MW



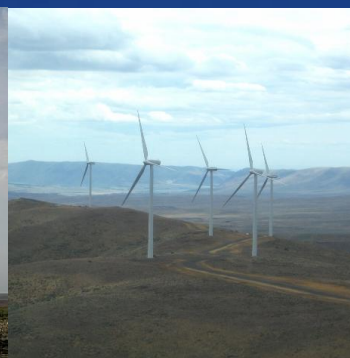
**Somerset &
Meyersdale**
54 MW



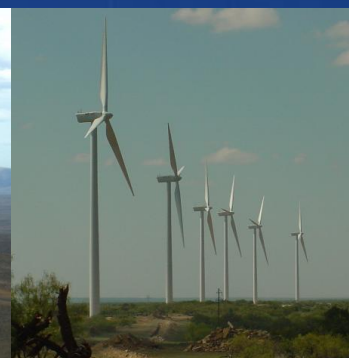
Madison
12 MW



Prairie Star
101 MW



Wild Horse
229 MW



Lone Star
400 MW



Twin Groves
396 MW

Horizon is active across the country

